

SMOKER CRAFT, INC.

America's First Family of Boats

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To:

Jennifer Long

Indiana Department of Workforce Development

10 North Senate Avenue Indianapolis, IN 46204 Email: ilong@dwd.in.gov Fax No. (317) 233-6081

From: Smoker Craft, Inc.

68143 Clunette Street New Paris, IN 46553

Date:

March 30, 2009

Terry Rodino, President

Elkhart County Board of Commissioners

Administrative Building 117 North Second Street

Goshen, IN 46526

WARN NOTICE RECEIVED

APR - 2 2009

DISLOCATED WORKER UNIT

The dramatic downturn in the economy in 2008 and its continuance in 2009 has significantly affected Smoker Craft's operations and sales as well as the operations of our dealers. Sales numbers are considerably lower than expected, which indicates the magnitude of the situation for the recreational boating industry.

One of the facilities affected by this situation is our New Paris facility located at 68143 Clumette Street. New Paris, IN 46553. We started some limited reductions in the workforce due to the relocation and consolidation of business from our Topeka facility (located at 201 Starcraft Drive, Topeka, IN, 46571) to our New Paris facility back on July 25, 2008.

Despite the severe downturn in the economy and the effect of that downturn on sales in the recreational boat industry, we have worked diligently to avoid hardships on our employees. However, we were required to further reduce several employees in the workforce due to the worsening economy starting December 5, 2008 at the New Paris facility.

Unfortunately, we do not expect a significant turnaround in the economy anytime soon and, due to the worsening economy, we have had to make further reductions. In view of the worsening economy, this notice is being sent, as a precautionary matter, to advise your office of the fact that we are notifying our laid off employees that we do not expect that the economy will turnaround in our industry anytime soon. Accordingly, we are sending 60-day advance notices to our laid off employees that we do not expect to be able to re-hire them with full seniority within 6 months of their layoff dates. Therefore, we are also notifying your office that the timeframe within which those employee have the potential to be re-hired with full seniority will expire and lapse, under the provisions of our employee handbook. With respect to the New Paris facility, the number of affected employees, affected job titles, and other information relating to this matter are indicated on the attached Appendix which is made a part of this notice. We believe that this action will be permanent in nature. None of the affected employees have bumping or transfer rights and there is no union representative of the affected employees.

However, should the economy improve and sufficient orders begin to come in, we may begin hiring again. If so, for a period of 3 months after the affected employees' full seniority re-hire opportunity expiration date (or quit date), we are providing affected employees with preferential re-hire opportunities as new employees without seniority for any suitable positions for which Smoker Craft is hiring (over applicants who have no prior employment history with Smoker Craft). Any former employee who is re-hired after his/her termination of seniority date will have his/her seniority start over (as a new employee) on the first day of any such new employment.

For further information regarding these matters please contact Peggy Cronin, Corporate Human Resource Director at (574) 831-2103.

<u>APPENDIX - NEW PARIS FACILITY</u>

Job Titles Of <u>Positions Affected</u>	No. of Employees	Date of <u>Initial Layoff</u>	Date of Termination of Seniority
Shipping Department Worker	1	8/30/2008	8/30/2008 *
Scheduling Clerk	1	10/24/2008	11/6/2008 *
Bill of Material Writer	1	12/5/2008	12/18/2008 *
Aluminum Production Line Worker	8	12/5/2008	6/5/2009
Fabrication Department Worker	8	12/5/2008	6/5/2009
Fiberglass R&D Worker	1	12/5/2008	6/5/2009
Paint Department Worker	3	12/5/2008	6/5/2009
Quality Control Inspector	2	12/5/2008	6/5/2009
Shipping Department Worker	1	12/5/2008	6/5/2009
Upholstery Line Worker	1	12/12/2008	6/12/2009
Fiberglass Lamination Department Worker	1	12/19/2008	6/19/2009
Occupational Health Nurse	1	12/19/2008	6/19/2009
Upholstery Line Worker	1	12/19/2008	6/19/2009
Pontoon Fabrication Department Worker	1	12/31/2008	7/1/2009
Pontoon Production Line Worker	10	12/31/2008	7/1/2009
Upholstery Line Worker	4	12/31/2008	7/1/2009
Welder	1	12/31/2008	7/1/2009
Upholstery Line Worker	1	1/30/2009	7/31/2009
Aluminum Production Line Worker	4	2/5/2009	8/6/2009
Upholstery Line Worker	2	2/6/2009	8/7/2009
Fabrication Department Worker	2	2/26/2009	8/27/2009
Paint Department Worker	1	2/26/2009	8/27/2009
Upholstery Line Worker	4	2/26/2009	8/27/2009
Building Maintenance Worker	1	2/27/2009	8/28/2009
Paint Department Worker	1	2/27/2009	8/28/2009
Pontoon Production Line Worker	1	2/27/2009	8/28/2009
Shipping Department Worker	4	2/27/2009	8/28/2009
Stockroom Worker	1	2/27/2009	8/28/2009
Upholstery Line Worker	1	2/27/2009	8/28/2009
Total Number of Affected Employees	69		

^{*} These individuals voluntarily quit prior to their termination of seniority date.